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State treasurer backs lawsuit

Despite being the lead defendant in the case, state Treasurer Dean Martin is backing a lawsuit challenging the state's decision to raid nearly \$30 million from local municipalities to help fix Arizona's budget mess.

Martin, claiming the state's action was unconstitutional, sent a letter Monday, directing the Attorney General's Office to file a legal brief in support of the lawsuit.

He urged the courts to rule that budget bills, narrowly passed by the Legislature and signed into law by Democratic Gov. Janet Napolitano, violate a clause in the Arizona Constitution that prohibits raising taxes or boosting spending without two-thirds approval from both the House and Senate. Martin said he wanted the court to expand the case to toss out other budget provisions related to items such as surcharges for defensive-driving school and fees for traffic-camera tickets.

"We have a budget problem. It is very serious and needs to be dealt with," Martin, a Republican, said in a phone interview. "But just because you have a problem doesn't give you license to ignore the Constitution. This is essentially shifting the state's problem onto local taxpayers."

The League of Arizona Cities and Towns filed the lawsuit this month in the Arizona Supreme Court, seeking to block the state from requiring local governments to pay a total of \$29.7 million into the state's general fund. Payments are based on a formula used to distribute highway funds to cities.

Under the plan, Phoenix would have to pay \$5.7 million this year, while Tucson would dole out \$2.2 million. Peoria would pay \$430,000.

Napolitano was named in the suit, as was Martin in his capacity as the state's chief financial officer.